

Message Text

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66

ACTION ARA-20

INFO OCT-01 ADP-00 EB-11 COME-00 OPIC-12 AID-20 PA-03

PRS-01 USIA-12 OMB-01 L-03 H-02 XMB-07 INT-08 CIAE-00

INR-10 NSAE-00 RSC-01 TRSE-00 SIL-01 LAB-06 RSR-01

/120 W

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R 092236Z JUL 73

FM AMEMBASSY LIMA

TO SECSTATE WASHDC 6227

LIMITED OFFICIAL USE LIMA 4788

E.O. 11652: N/A

TAGS: BDIS, EIND, PE

SUBJ: CERRO BUYOUT NEGOTIATIONS

REF: SECSTATE TEL 11765 OF JUNE 9

1. LIMA PRESS JULY 6 CARRIED STORIES BASED ON CERRO NEW YORK PRESS RELEASE OF JULY 5 TO EFFECT THAT NEGOTIATIONS FOR SALE OF CERRO DE PASCO (CDP) TO GOP WILL BEGIN SHORTLY. ACCORDING TEXT OF RELEASE, PUBLISHED HERE, C. GORDON MURPHY, CERRO PRES. STATED HE COULD PREDICT NEITHER EXACT DATE FOR BUYOUT NEGOTIATIONS NOR, IN CASE OF AGREEMENT WITH GOP, WHAT AMOUNT OF CERRO'S INVESTMENT WOULD BE INCLUDED. RELEASE ALSO STATED CERRO'S 22-2/4 PERCENT SHARE IN SOUTHERN PERU COPPER CORP. (SPCC) WILL NOT REPEAT NOT BE INCLUDED IN DEAL NOR WOULD SMALL AFFILIATED COMPANIES BE INCLUDED.

2. IN PRESS CONFERENCE SAME DAY MINMINES MALDONADO CONFIRMED THAT GOP IS STUDYING CDP OFFER OF TOTAL SALE THROUGH MULTISECTORIAL COMMISSION HEADED BY BRIG. GEN. (RET.) VICTOR MIRO QUESADA URETA, NOTING THAT MIRO QUESADO'S COMMISSION IS PRESENTLY FINISHING

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ITS EVALUATION AND WILL MAKE KNOWN ITS RECOMMENDATIONS

TO GOP TO DETERMINE THE CONDITIONS UNDER WHICH CDP
WOULD PASS INTO HANDS OF STATE. MALDONADO ALSO CON-
FIRMED THAT (1) COMMISSION AND CDP REPRESENTATIVES WILL
BEGIN DISCUSSIONS SOON; (2) CDP SHARES IN SPCC NOT IN-
CLUDED; (3) ACQUISITION OF CDP BY GOP IN LINE WITH
REVOLUTIONARY GOVERNMENT'S MINING POLICY IN WHICH STATE
HAS A DETERMINING, DECISIVE AND FUNDAMENTAL ROLE TO
PLAY WITH REGARD TO ACTIVITIES OF THE "GRAN MINERIA."
IN RESPONSE TO QUERY ABOUT FUTURE OF AMERICAN EMPLOYEES
AT CDP, MALDONADO SAID THEIR STATUS ALSO UNDER STUDY.

3. LOCAL CDP OFFICIAL INFORMS US TEXT OF RELEASE
PUBLISHED HERE IS ACCURATE; THAT TIMING OF RELEASE WORKED
OUT WITH GOP (ALTHOUGH ORIGINAL IDEA FOR JOINT STATEMENT
--SEE REFTTEL--WAS DROPPED) AND THAT CERRO REPRESENTATIVES NOT
EXPECTED TO ARRIVE LIMA FOR NEGOTIATIONS UNTIL AFTER
JULY 28 AT EARLIEST.
BELCHER

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Message Attributes

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Decaption Date: 01 JAN 1960
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Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
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Disposition Date: 28 MAY 2004
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Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Review Markings:

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US Department of State
EO Systematic Review
30 JUN 2005

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Review Release Event: n/a
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Subject: CERRO BUYOUT NEGOTIATIONS
TAGS: BDIS, EIND, PE
To: STATE
Type: TE
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